



FINANCIAL MANAGEMENT OF INVESTMENT ACTIVITY

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Abstract

The rapid changes, updates and developments taking place in the world economy today require every country to implement and improve effective reforms aimed at ensuring active economic development. In the domestic and foreign policy, which requires such a high level of attention and responsibility, the realization and protection of the priority and strategic interests of the national economy in the current period and in the long term is ensured by the consistent implementation of large-scale measures. If we consider that it is impossible to implement without actively attracting investments, it is possible to understand that it is not for nothing that investments are recognized in the world as the main factor that ensures the stability and rapid growth of the economy today.

Keywords: Investment, growth, stability, investment activity, cash flow, development

Introduction

Today, the attitude towards studying the potential and power of investments has become more serious, which is due to the rapid and short-term penetration of the scientific achievements of the 21st century into our socio-economic life and international scientific platforms (Scopus, Web of Science, Springer, Elsevier, Science direct and etc.) can be seen in the presentation of the results of large-scale studies on the importance and effects of investments.

However, it should be noted that the results of the scientific-theoretical, practical-methodical in-depth research of investments did not provide opportunities for their full and effective use. According to UNCTAD Secretary General Mukisa Kituyi's report on the state of global foreign direct investment (FDI) in 2020 in the report of the UN Conference on Trade and Development, in 2021 compared to 2020 by 16%, in 2021 compared to 2020 the flow of investment in the world 19 can be seen in the fact that it has decreased by percent and that such a decrease has been continuing since 2020. This, in turn, strengthens the need to effectively use internal and external investments in the development of the economy in the world, as well as in Uzbekistan.





Effective use of investments in the economy is directly related to their management. Investment management is naturally based on investment activities.

In general, the implementation of investments is a component of the investment process and relies on and occurs as a result of the creation of investment resources. In turn, it is directly related to the intended purpose of investing. After all, the desire to achieve the intended goal motivates the investor to collect capital and then mobilize it towards this goal. Since the goal is focused on a specific result, the result in turn creates specific goals and, accordingly, creates a sequence that reflects the investment process. This movement of investments occurs through investment activities. Therefore, it is very important to know the nature of investment activities.

Literature Review

In various economic literature, the concept of "investment activity" has been defined in different ways. Having studied them deeply and extensively, we considered that it is necessary to focus on the following definitions given to the content of investment activity.

According to the economist Neshitoy, "Investment activity is the placement (investment) of funds and the implementation of practical actions in order to obtain income and achieve useful results. [1]"

Similar definitions can be found in the following. In particular, according to the Russian economist-scientist V. Bocharov: "Investment activity means the sum of practical actions of the state, citizens and legal entities in making investments." Authors A. Arzimiyan and others define: "Investment activity is a set of practical actions in investing or investing and making investments. [2]"

M. Angelidi and D. Gozibekov, one of the economists-scientists from Uzbekistan, expressed the investment activities close to the definitions given above. In all these definitions, the investment activity is treated in the same way, and they reflect the actions of investors in connection with the implementation of investments [3].

Chinenova M.V. according to the definition given by: "investment activity is considered as a set of practical actions related to introduction of investments or investment and implementation of investments"[4].

Russian scientist Chinenova M.V. The definition given to the content of investment activities by However, it can be seen that this definition does not serve to reveal the pure essence of the economic term from a scientific point of view. A similar definition was given by Popkov V.P. and Semenov V.P.'s definition, i.e. "Investment activity manifests itself as a sum of practical actions of the state, legal entities and citizens to introduce or invest, to implement investments. [5]"



Igonina L.L. and emphasizes that the content of investment activity can be defined in both broad and narrow terms. When this term is given a broad definition, it is proposed to understand it as: "investment activity is an activity related to the introduction of funds into investment objects for the purpose of obtaining income (benefit)". Igonina L.L. notes that the definition given to the meaning of investment activity has a content similar to the definition given to this term in the legislation of the Russian Federation, that is, according to the legislation of this country: "Investment activity is the making of investments and the implementation of practical actions in order to obtain profit and (or) achieve a beneficial effect."

Igonina L.L. also mentions that investment activity can be understood in a narrow sense. According to him: "investment activity or, in other words, private investment activity (investment) manifests itself as a process of transformation of investment resources into investments."

In the Law of the Republic of Uzbekistan "On Investment Activity", it is expressed as: "Investment activity is a set of actions of investment activity subjects related to the implementation of investments".

The authors Mamatov B.S., Khujamkulov D.Yu., Nurbekov O.Sh. managed to research the content of investment activities in a unique way. According to the definition given by them, "In a broad sense, investment activity reflects the development of ideas and the justification of investment projects, their material, technical and financial support, as a result of which, management of the activity of the object being built and the ability to achieve the goals set by investors [6]"

Investment activity is the most important central link of investment, because it is in this process that investment changes from one form to another, that is, it takes the form of savings (resources), investments (expenditure), capital property (finished product), economic or social effect (income, profit).

Based on our research conducted above, we believe that it is appropriate to define the concept of investment activity as follows: investment activity is the development of ideas and the justification of investment projects, their material, technical and financial support, as a result of this, the management of the activity of the object being built and the goals set by investors. also reflects the possibilities of achievement.

Analysis and Results

Our government has developed a number of legal documents for state management of investment activities in the republic. These legal documents serve as the basis for the formation of the legal system for the regulation of investment activities. In addition, it is also an important issue through which means the state can influence the





investment activity. Investment activity in any society cannot develop by itself, it certainly requires the intervention of entities that have a certain influence on it. The effective result of such an intervention will be ensured only by the hand of the state. However, in such a situation, the state should not stifle the development of investment activity, otherwise its implementation will be subject to the influence of subjectivity. The state, along with regulation of investment activity, directly participates in it. In this he:

- Acceptance of state investment programs and their financing from the republican budget;
- Provision of centralized investment resources of the republican budget on the basis of solvency, term and return for financing large investment projects;
- Providing a state guarantee for the loans involved for the implementation of investment projects;
- To carry out comprehensive state expertise of investment projects;
- Participates in investment activities, such as providing concessions for local and foreign investors.

Usually, coordination of investment activity is aimed at creating favorable conditions in its important areas, first of all, social development, technical improvement of production, and satisfaction of social requirements based on implementation of innovations and inventions.

Regulation of investment activities, from a legal point of view, implies the formation of specific, complex, socially necessary economic (investment) relations between different owners regarding the reproduction of tangible and intangible assets. All subjects of the investment process - from foreign investments to state, legal and physical, including foreign persons (residents and non-residents) become participants in these relations. From a legal point of view, foreign investment is related to the ownership, use and disposal of capital in the territory of another country. From an economic point of view, their territorial, temporal and spatial forms of movement have the possibility of encountering more and more additional risks in order to gain profit.

The essence of investment relations is expressed in the scope and level of the participants of this activity. The existence of separate investment relations, which reflect the objective conditions of the development of investment activity, ensures that it will be an independent subject of regulation. From a legal point of view, the regulation of investment activities includes general legal and private legal regulatory norms. The unity of these norms expresses the nature and essence of social and individual investment relations and becomes a method of their regulation. Regulatory



methods consist of ways of influencing the character of investment relations both separately and socially necessary.

The importance of the subject of investment activity in the period of building a multi-level economy requires the adoption of laws on the legal regulation of this activity.

The state regulation of investment activity in the republic is aimed primarily at the implementation of the economic, scientific-technical and social policy of the state.

In conditions of increased inter-country migration of capital, investment activities require, on the one hand, national and, on the other hand, international investment relations to be regulated on the basis of the national and international legal system.

Taking into account international experiences in regulating investment activities, providing national regulations for foreign investments in all types and forms creates a more favorable investment environment, and providing foreign investors with national regulations for all types and forms of investment creates a more favorable investment environment and accelerates the inflow of foreign investments.

State regulation of investment relations is organized by creating legal conditions, providing guarantees for conducting this activity, insuring the subjects of this activity and realizing social or state interests through other means.

In the conditions of the formation of a multi-level economy in the republic, the main tasks in the state regulation of investment activities are as follows: social and private interests; correctly identify the interests of certain countries, corporations, international financial institutions, individual investors; to agree on their mutually acceptable proportions; establishing equal legal conditions and guarantees of their realization in life.

Depending on the degree of liberalization of the economy and the expansion of attracting foreign investments, it is necessary to regulate investment activities by the state, to attract direct foreign investments to new projects and joint ventures. Also, the regulation should envisage the involvement of a large number of private business entities in investment activities. It is important to encourage the inflow of foreign investments, as well as reward the participation of national economic entities in this activity. Thus, the task of regulation will be, on the one hand, to increase the flow of direct foreign investments, and on the other hand, to expand the investments of private ownership entities in the national economy.

It is known that investment activity is related to all types of capital, business, finance, innovation, social, consumption and other investments, which are usually carried out by using the fiscal (treasury filling) and regulatory functions of taxes.





Conclusions and Suggestions

Based on the conducted research, a modern interpretation of the meaning of investment activity was developed, and according to it, investment activity is the development of ideas and the justification of investment projects, their material, technical and financial support, as a result of which, managing the activities of the object being built and achieving the goals set by investors. also reflects its capabilities. Various factors influence the financial management of investment activities. The results of our research showed that it is acceptable to divide them into macro- and micro-level influencing factors.

Investment policy is a component of the state's economic policy, it serves to achieve the set goals and fulfill the short-term and long-term tasks of the economic policy, and it is characterized by having the purpose, tasks, directions and mechanism of its implementation in terms of being managed by the state.

Today, in our republic, special attention is paid to the active promotion of foreign investments in regions and sectors. As a result, measures aimed at preventing the uneven distribution of foreign investments by regions and sectors are bearing fruit. This is reflected in the growth of the number of enterprises with participation of foreign investments.

In Uzbekistan, the state programs aimed at increasing the competitiveness of the finished products of industrial enterprises and the effective use of investments are being implemented in specific sectors of the industry, and special privileges and incentives are provided for attracting investments to it, based on the existing opportunities and priority aspects of each sector, the specific directions of their development and the forecast is gaining importance in ensuring the performance of indicators. Today, Uzbekistan has developed a unique experience in the financial management of investment activities. However, the existing problems in it do not allow showing sufficient positive impact of investment activities on the economic development of the country. Therefore, in this regard, first of all, it is important to study advanced foreign experiences.

The existing problems in the financial management of investment activities in Uzbekistan show their negative impact on the development of a number of important sectors that have their place in the development of the economy due to their seriousness and urgent issues that are waiting for their solution. This requires conducting deep and large-scale scientific research on the solution of existing problems.





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